

February 11, 2021

The Honorable Representative Joe Seiwert
Chair, House Committee on Energy, Utilities and Telecommunications

Re: HB 2180, Requiring changes to electric rates for transmission costs to be approved through an electric utility's general rate case proceedings

Mr. Chairman and committee members, thank you for this opportunity to present our written testimony. My name is Ernest Kutzley and I am the Advocacy Director for AARP Kansas. With more than 290,000 members in Kansas, we support HB 2180.

HB 2180 requires transmission costs (subject to FERC jurisdiction) be recovered in rate cases unless the utility already has a separate transmission delivery charge.

We note that, with flat or falling demands for power nationwide, there is no need for massive transmission spending, which is causing increases to the state's already-high electricity rates.

AARP opposes riders and surcharges. This is because they bypass traditional review where offsetting cost decreases cannot be considered and where prudent review is lacking.

We would prefer that the bill not exempt utilities that already have transmission cost trackers. While many of the transmission costs are generated by FERC-approved costs due to SPP projects in other states, at least the transmission spending can get a more thorough review in a traditional rate case.

Therefore, we support HB 2180, which puts cost recovery where it belongs—in rate cases instead of as a special surcharge – and we respectfully request your support of this bill.

Thank you,
Ernest Kutzley